

USAID | OTI | CREATIVE | CCSSP



USAID
FROM THE AMERICAN PEOPLE

**Cuban Civil Society Support Program
(CCSSP)**

Contract Number DOT-I-00-03-00009-00 TO 4

Monthly Report

April 2012

Submitted May 9, 2012

1. Country Situation Update

Changes to Travel Restrictions for Cuban Citizens

Recent comments by Ricardo Alarcón, President of the National Assembly of People's Power, have raised speculation among Cuban citizens, diaspora, observers and policy makers that Cuba's travel restrictions may be lifted soon. Alarcón's statement in an interview published in April, indicated that the "question of emigration" was currently under discussion at the "highest level of government" and that "radical and profound" change was weeks away, prompting other officials to caution against "over-excitement." Following eighteen months of reforms that have allowed nascent private enterprise and self-employment, legalized property and automobile sales and purchases – ideas that were long seen as incongruent to Cuba's Communist systems – many Cubans are hoping that the island's prohibitive exit visa requirements could be abolished. While economic reforms have been slow and contradictory, eliminating travel restrictions could be a greater symbolic step, carrying enormous economic, social and political risk. Even if a full revocation of the exit visa does not occur, ending limits on how long Cubans can live abroad or reducing the prohibitively expensive exit visa fees would have significant implications.

President Calderon visits Cuba and strengthens ties

Mexican President Felipe Calderon visited Cuba in mid April, declaring Mexico and Cuba friends again. Calderon said the problems of the past had been replaced by a new cordiality and signed accords to increase cooperation in areas such as oil and healthcare. Calderon met with President Raul Castro and had "a frank, open dialogue befitting the leaders of two sister countries." According to Calderon, both he and Raul Castro "agreed to increase trade and investment," as well as cooperation in health, education, culture, and sports. Among the accords signed was a non-binding letter of intent for state oil company Pemex to look into "the possibility of participating and investing in the exploration and exploitation of hydrocarbons" in Cuba's part of the Gulf of Mexico contiguous to Mexican waters. Cuba, which imports approximately two-thirds of its oil needs from Venezuela, has been courting foreign oil companies to explore in its waters, where it's estimated to have billions of barrels of undiscovered petroleum reserves, and reduce the enormous dependence on Venezuelan oil subsidies.

Tension at the Summit of the Americas over Cuba's absence

A number of Latin American leaders repeatedly harangued the United States for continuing to insist that Cuba be barred from the Summit of the Americas circuit. Venezuela, Bolivia and Nicaragua were unequivocal: They will not come to the next summit, set for Panama in 2015, if Cuba cannot come too. Ecuador's president, Rafael Correa, boycotted this summit over the issue. Host country Colombia also pressured to bring Cuba on board. The United States and Canada were alone in opposing Cuban participation. There were also disagreements over the embargo and whether Cuba should be allowed to attend the next meeting. In a statement, the Cuban government said President Obama was "totally isolated," adding that there was a "growing

chasm" between North America and the rest of the hemisphere. It also called the Organization of American States (OAS) an "unburied corpse".

Cuba plans massive shift towards the "non-state" sector

According to a senior Communist party official, Cuba will move nearly 50 percent of the state's economic activity to the "non-state" sector in the near future. "Within four or five years between 40 percent and 45 percent will result from different forms of non-state production," said Esteban Lazo, a veteran member of the Political Bureau and often considered the Communist party's top ideologue. Lazo said the increased private business and the subsequent tax revenues meant local government needed to improve its efficiency in order to cope with the emerging reality. Raul Castro has hammered away at the need for the state to become more efficient and get out of secondary economic activity such as farming and retail services. "The question will be how this 'non-state' production will be split between real private property and cooperatives, and how independent from the state the cooperatives really are," a Western diplomat said. Skeptics question how quickly Cuba's centrally planned economy can manage such a radical transformation. "I think a shift of this magnitude in such a short time would be highly unlikely for Cuba. The bureaucratic resistance that there appears to be will certainly slow the process," said William Messina at the University of Florida. Since Castro took office the number of self-employed has risen to over 370,000, and more than 200,000 people have taken land grants for small farming. The Cuban Parliament estimates that over 250,000 additional Cubans will join the self-employed ranks in 2012. Recently, the Cuban government approved an experimental program of non-agricultural cooperatives, which is unprecedented to date.

2. Programmatic Highlights and Major Activities

Programmatic Activities:

Key Programmatic Accomplishments:

- **Sector CP** - *This innovative sector seeks to counter apathy and stimulate civic engagement by supporting media projects that communicate positive, unbiased messages through different aspects of everyday life and humor. In previous activities under this sector, the CCSSP created a variety of media products and was able to shape the social content of the items produced to promote civic analysis and a sense of duty for the targeted audience.*
- [SJO101]: This grant continues activities developed under SJO074 and SJO092, and supports the production of four additional deliverables within this initiative. The seventh deliverable was released and distributed in April. A cost extension was approved through the end of April to support production and distribution of two additional deliverables for a total of eight under the initiative. The eighth and final deliverable is in preparation for release in early May. No further activities are planned under this initiative.
- [SJO102]: This grant is a continuation to grants SJO070 and SJO079. The sixth set of deliverables was approved and distributed in March. The dissemination strategy continues successfully, with constant growth among the local audience. This grant was extended through April with additional funding to support production of additional deliverables and their distribution. Distribution has been completed and the grantee is preparing a final distribution report. No additional activities are planned for this initiative.

- [SJO103]: As a follow-on activity to SJO076, this grant supports additional products for distribution. The revised dissemination strategy was launched in March to increase the target audience base, to increase product approval among the target audience. New products were produced in March to support the new strategy and were distributed in April. This grant will begin administrative closeout. There are no further activities planned for this initiative.
- [SJO104]: This grant launched a new product for distribution across several platforms targeted toward a new audience. The final deliverable was launched and distributed throughout the month of April, and the grantee is preparing final reports on distribution. Upon approval of these reports, the grant will be closed. No additional activities are planned for this initiative.
- [SJO105]: This grant will launch a new product influenced by activities under SJO104. The grantee has advanced production of approved deliverables, and submitted a beta version of the product for approval. The grantee is developing a proposal to continue this activity, including cost and technical specifications for an additional two months.
- [SJO106]: Upon approval of the final evaluation by the OTI/CR, this grant will be closed.
- [SJO107]: This grant supports a tool developed under SJO084. Following launch of the tool in December, the initial dissemination grew into a viral distribution campaign that continued through March to promote local user participation. To complement the local campaign, a broader campaign was launched simultaneously and has started to find support and coverage across mainstream channels. The tool has supported several local users to date, and interest in using and supporting the tool continues to grow. During April, the grantee has successfully implemented sustainability efforts to attract greater participation. Due to the success of this activity, Creative and OTI are considering an extension of the activity to support continued growth.
- **Sector CP (2)** - *This sector has exponentially exceeded expectations, and has demonstrated a true desire for freedom of expression and a need for increased networking capacity on the island. Therefore, the CCSSP has allocated significant resources toward achieving further success in this sector.*
 - [SJO100]: All final reports and deliverables have been approved, and final payment has been issued. This grant is in administrative closeout.
 - [SJO111]: The grantee has submitted their first monthly report for review, pending approval, the second milestone payment will be issued. The platform continues to experience growth in the user base and quality of content, but sustainability efforts have yielded little concrete impact.
- **Sector US** – *In this sector, CCSSP explored the reality of this population group and discovered significant potential for civic initiatives. With Latin American NGOs whose experience and characteristics are similar to the target population, civic activities are conducted to influence independent action.*
- **Other Activities**
 - [SJO082]: The grantee has submitted all the required documents and corrective actions regarding the internal audit process. OTI/Creative staff is reviewing all documents for final approval before any additional activities are discussed and subsequent decisions are made.

- [SJO090]: The M&E video was accepted and approved by OTI/CREA staff with no observations or recommendations. The pending payment has been issued and major findings have been added to the Final Evaluation. This grant is in the process of administrative and financial closeout.
- [SJO096]: The beneficiaries have presented a series of small narrative reports for each of the activities. A no-cost extension amendment was approved for the beneficiary group to carry out some additional activities. These new activities were the result of agreements and efforts done during their trips to province. A full report will be submitted once activities are completed and the grant closeout process will begin.
- [SJO097]: This grant is in the process of administrative closeout, pending an internal approval from the grantee. Following submission of this document, financial reconciliations will be completed and a final evaluation prepared.
- [SJO099]: This grant is currently in administrative closeout. The grantee submitted documentation for final payments, which are under secondary review. The final evaluation will be written upon approval of all activity reports and the grant will be closed.
- [SJO109]: This grant continues activities developed under SJO099. Two members of the beneficiary groups recently traveled to the island to provide the internal groups with technical support as well as funds. Two representatives of the beneficiary groups have been selected to travel to a third country to participate in a training session on social entrepreneurship and project management.

Program Operations

- Grants cleared to date: **108** (13 in process, 15 completed, 68 closed, 7 cancelled, 5 rejected after clearance)

Status Count				
Pending	Cleared	Completed	Closed	Cancelled / Rejected
0	13	15	68	7 / 10* *5 had been cleared

CLEARED		
1	SJO090	\$45,418.00
2	SJO096	\$43,645.00
3	SJO097	\$42,968.00
4	SJO099	\$54,921.00
5	SJO100	\$175,400.00
6	SJO101	\$237,901.00
7	SJO102	\$100,611.00
8	SJO103	\$22,649.00
9	SJO104	\$66,158.00
10	SJO105	\$157,543.00
11	SJO107	\$139,202.00
12	SJO109	\$63,700.00

13	SJO111	\$162,418.00
Subtotal:		\$1,312,534.00

COMPLETED		
1	SJO076	\$71,104.00
2	SJO078	\$39,553.00
3	SJO079	\$65,219.00
4	SJO082	\$185,409.00
5	SJO083	\$35,509.00
6	SJO084	\$91,254.00
7	SJO085	\$42,903.00
8	SJO087	\$90,000.00
9	SJO092	\$80,443.00

10	SJO093	\$90,000.00
11	SJO094	\$144,922.00
12	SJO095	\$36,760.00
13	SJO098	\$70,000.00
14	SJO106	\$10,453.00
15	SJO108	\$15,231.00
Subtotal:		\$1,068,760.00

CLOSED		
1	SJO001	\$95,420.00
2	SJO003	\$17,157.00
3	SJO006	\$81,421.00
4	SJO007	\$123,098.00

5	SJO008	\$34,332.00
6	SJO009	\$24,256.00
7	SJO010	\$30,359.00
8	SJO011	\$19,601.00
9	SJO012	\$14,204.00
10	SJO014	\$47,453.00
11	SJO015	\$7,328.00
12	SJO016	\$72,709.00
13	SJO017	\$2,345.00
14	SJO018	\$12,759.00
15	SJO019	\$89,059.00
16	SJO020	\$11,430.00
17	SJO022	\$72,098.00
18	SJO024	\$12,784.00
19	SJO025	\$86,994.00
20	SJO026	\$4,655.00
21	SJO027	\$4,743.00
22	SJO028	\$63,655.00
23	SJO029	\$57,625.00
24	SJO030	\$17,830.00
25	SJO031	\$5,876.00
26	SJO032	\$78,769.00
27	SJO033	\$74,390.00
28	SJO034	\$65,522.00
29	SJO035	\$19,429.00
30	SJO036	\$14,525.00
31	SJO037	\$36,210.00
32	SJO038	\$99,163.00
33	SJO039	\$38,510.00

34	SJO040	\$141,427.00
35	SJO041	\$4,947.00
36	SJO042	\$21,551.00
37	SJO044	\$86,900.00
38	SJO046	\$21,940.00
39	SJO047	\$29,152.00
40	SJO048	\$4,542.00
41	SJO049	\$89,900.00
42	SJO050	\$128,906.00
43	SJO052	\$53,161.00
44	SJO053	\$12,248.00
45	SJO054	\$30,309.00
46	SJO055	\$55,503.00
47	SJO056	\$69,091.00
48	SJO057	\$4,538.00
49	SJO058	\$125,571.00
50	SJO061	\$26,671.00
51	SJO062	\$54,802.00
52	SJO063	\$8,819.00
53	SJO064	\$4,284.00
54	SJO065	\$25,886.00
55	SJO066	\$17,308.00
56	SJO067	\$86,732.00
57	SJO068	\$49,126.00
58	SJO069	\$19,149.00
59	SJO070	\$28,838.00
60	SJO071	\$55,674.00
61	SJO072	\$213,130.00
62	SJO073	\$24,155.00

63	SJO074	\$36,328.00
64	SJO075	\$30,767.00
65	SJO077	\$176,206.00
66	SJO080	\$6,918.00
67	SJO081	\$12,245.00
68	SJO086	\$11,225.00
Subtotal:		\$3,203,658.00

CANCELLED		
1	SJO013	\$9,825.00
2	SJO043	\$5,687.00
3	SJO045	\$16,707.00
4	SJO059	\$3,325.00
5	SJO088	\$14,808.00
6	SJO089	\$17,654.00
7	SJO091	\$3,929.00
Subtotal:		\$71,935.00

REJECTED		
1	SJO001	
2	SJO010	
3	SJO011	
4	SJO002	Rejected After Clearance
5	SJO004	
6	SJO005	
7	SJO021	
8	SJO023	Never Approved
9	SJO051	
10	SJO060	

Administration and Operations

- **Activity Database (ADa):** Creative staff continues to update the Activity Database with information from the field. In addition, the DC-based team is working closely with the Implementation team in the field to ensure weekly tracking of grant expenditures and maintain adequate grant/operations funds control.
- **Finance:** All financial transactions continue to be managed from Washington, D.C. with support from a field finance assistant, working closely with grantees to ensure timely grant implementation. Projections for the last three months of the program are being monitored weekly to ensure obligated funds are fully committed and disbursed by the end of the implementation period.
- **Program Extension:** Creative has received approval from the COTR for a one-month no-cost extension through July 31, 2012, and has submitted a proposed extension and budget realignment to OTI for review. Upon approval, Creative will submit the realignment to OAA along with an updated inventory disposition

plan for approval. Creative has identified recipients for all remaining inventory items and will begin the disposition process during the closeout process.

- **GAO Audit:** On March 27, 2012, Creative received a second request for additional programmatic and financial documentation, and submitted the majority of these documents on April 9 and April 25 to the OTI Country Representative. Creative is coordinating with sub-awardees to receive final pending documents to complete submission of this response. Creative looks forward to working with the OTI team and continued collaboration with the GAO Audit process.

3. Budget Information

CLIN	Description	Total	Obligated	Disbursed March 2012	Cumulative Amount
001	Operations	\$ 4,887,599		\$ 82,176.24	\$ 4,857,072.54
002	Fixed Fee Operations	\$ 244,380		\$ 4,108.81	\$ 242,853.46
003	Grants	\$ 10,200,000		\$ 200,548.44	\$ 5,021,272.35
004	Fixed Fee on Grants	\$ 204,000		\$ 4,010.97	\$ 100,425.52
	TOTAL	\$ 15,535,979	\$ 11,170,671	\$ 290,844.45	\$ 10,221,623.85

4. Problems Encountered: Issues and Proposed Actions

- There were no issues to report in this period.

5. Upcoming Activities

Creative has the following activities planned for May 2012:

- Creative will submit a revised closeout plan for the extension period, and will begin coordinating close out reporting, logistics and other administrative tasks.
- Under the program extension, three initiatives under SJO105, SJO107 and SJO111 will be continued. Work plans, activities and financial projections will be finalized for these initiatives.
- All completed grants will be closed by May 30, 2012.